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SENATE BILL 600

**49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009**

INTRODUCED BY

Dede Feldman

AN ACT

RELATING TO UTILITIES; AMENDING THE RENEWABLE ENERGY ACT TO ADDRESS THE OWNERSHIP OF RENEWABLE ENERGY CERTIFICATES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 62-16-5 NMSA 1978 (being Laws 2004, Chapter 65, Section 5, as amended) is amended to read:

"62-16-5. RENEWABLE ENERGY CERTIFICATES--COMMISSION DUTIES.--The commission shall establish:

A. a system of renewable energy certificates that can be used by a public utility to establish compliance with the renewable portfolio standard and that may include certificates that are monitored, accounted for or transferred by or through a regional system or trading program for any region in which a public utility is located. The kilowatt-hour value of renewable energy certificates may be varied by

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1 renewable energy resource or technology; provided that each  
2 renewable energy certificate shall have a minimum value of one  
3 kilowatt-hour of renewable energy represented by the  
4 certificate for purposes of compliance with the renewable  
5 portfolio standard; and

6 B. requirements and procedures concerning renewable  
7 energy certificates that include the provisions that:

8 (1) renewable energy certificates:

9 (a) are owned by the generator of the  
10 renewable energy unless: 1) the renewable energy certificates  
11 are transferred to the purchaser of the energy through specific  
12 agreement with the generator; or 2) ~~[the generator is a~~  
13 ~~qualifying facility, as defined by the federal Public Utility~~  
14 ~~Regulatory Policies Act of 1978, in which case the renewable~~  
15 ~~energy certificates are owned by the public utility purchaser~~  
16 ~~of the renewable energy unless retained by the generator~~  
17 ~~through specific agreement with the public utility purchaser of~~  
18 ~~the energy; or 3)] a contract for the purchase of renewable~~  
19 energy is in effect prior to January 1, 2004, in which case the  
20 renewable energy certificates are owned by the purchaser of the  
21 energy for the term of such contract;

22 (b) may be traded, sold or otherwise  
23 transferred by their owner to any other party; provided that  
24 the transfers and use of the certificate by a public utility  
25 for compliance with the renewable energy portfolio standard

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1 shall require the electric energy represented by the  
2 certificate to be contracted for delivery, or consumed or  
3 generated by an end-use customer of the public utility in New  
4 Mexico unless the commission determines that there is a  
5 national or regional market for exchanging renewable energy  
6 certificates;

7 (c) that are used for the purpose of  
8 meeting the renewable portfolio standard shall be registered,  
9 beginning January 1, 2009, with a renewable energy generation  
10 information system that is designed to create and track  
11 ownership of renewable energy certificates and that, through  
12 the use of independently audited generation data, verifies the  
13 generation and delivery of electricity associated with each  
14 renewable energy certificate and protects against multiple  
15 counting of the same renewable energy certificate;

16 (d) that are used once by a public  
17 utility to satisfy the renewable portfolio standard and are  
18 retired or that are traded, sold or otherwise transferred by  
19 the public utility shall not be further used by the public  
20 utility; and

21 (e) that are not used by a public  
22 utility to satisfy the renewable portfolio standard or that are  
23 not traded, sold or otherwise transferred by the public utility  
24 may be carried forward for up to four years from the date of  
25 issuance and, if not used by that time, shall be retired by the

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1 public utility; and

2 (2) a public utility shall be responsible for  
3 demonstrating that a renewable energy certificate used for  
4 compliance with the renewable portfolio standard is derived  
5 from eligible renewable energy resources and has not been  
6 retired, traded, sold or otherwise transferred to another  
7 party."

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